



ABANDONMENT and RESTORATION PLAN

**Kagloryuak River and Burns Lake Areas
Victoria Island
Nunavut**

Abandonment and Restoration Plan prepared February 22, 2011.

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**Kagloryuak River and Burns Lake Areas
Victoria Island
Abandonment and Restoration Plan**

1. Preamble

This Abandonment and Restoration (A&R) applies to the work areas and campsites that have been utilized by Diamonds North during their 2002-2005 exploration programs in the Kagloryuak River and Burns Lake areas of Victoria Island, Nunavut. It also applies to all ongoing work conducted in this area in conjunction with the application for a renewal to our current Water Licence, NWB 2BETAH 0611, our current Land Use Permit from DIAND (N2008C0012, expiring June 23, 2012) and a renewal application recently sent to the KIA to obtain access to Inuit Owned Lands. This A & R Plan has been screened previously by **NIRB under File # 08EN018** and approved. Questions or concerns regarding this Plan can be directed to Graham Gill, V.P. Operations, Diamonds North Resources Ltd. at 604 689-2010 (Phone) or 604 484-7143 (Fax).

2. Introduction

This A&R plan has been prepared for two temporary campsites located within the project area on NTS Mapsheet 77F (see maps provided) and for the restoration of both the camps and a temporary airstrip located 5 kilometres south of the Tuktu (northern) camp.

The first site (northern or Tuktu Camp) is located on a north-south trending esker on the west side of the Tuktu River in Nunavut at coordinates 566950E 7856970N NAD 83 Zone 12 (70° 48.5'N 109° 10'W). This temporary camp is located approximately 270 kms northwest of Cambridge Bay and is serviced by Twin Otter aircraft with a landing strip located 5 kilometres to the south of camp. Crew and supplies have been ferried between the strip and camp via helicopter in the past. The camp currently consists of six 14'x16' sleep tents, one office tent, a core shack, one dry, one first aid tent, a kitchen tent, one outhouse, one generator shack and has accommodated up to 20 people in the past. This camp has been operating from the end of May through mid September in the years 2002-2005.

The second camp (southern) is located at 70° 17'N, 109° 05'W along the southern shores of a large lake approximately 200 kms northwest of Cambridge Bay. This camp was used in the spring of 2002 and consists only of 3 wooden structures that will be removed.

The project has involved early stage till sampling, prospecting, airborne and ground geophysics and diamond drilling on both sides of the Nunavut/Northwest Territories border which is located 30 kilometres to the west of the northern Tuktu camp. Plans for 2011-2012 will be a direct continuation of the earlier work completed but will include **only** abandonment and reclamation work.

3. Schedule

The final restoration of the camp sites will begin near the end of July, 2011 or 2012 when the strip utilized is dry enough for landing upon. Currently Diamonds North has a valid land use permit (N2008C0012) for work in Nunavut that allows for all activities that comprise the abandonment and reclamation program proposed. Currently the company also has a valid Water Licence for work in Nunavut (NWB2TAH0611) which is valid until March 31st, 2011 which a renewal is being applied for. Other fuels, equipment, salt that is located at the airstrip will be removed in the spring of 2011 or 2012.

As Diamonds North practices progressive reclamation such as filling drill sumps, cutting off drill collars to ground level, backfilling trenches and removing garbage, equipment and empty fuel drums as the program progresses, the final restoration effort will be minimal and will take 2-3 weeks in the spring and one week during summer months.

4. Infrastructure

Northern Camp

Six 14' x 16' wooden sleep tents
One 32' x 14' kitchen tent
One 14' x 16' dry
One 14' x 16' first aid tent
One 14' x 16' office tent
One outhouse
One generator shack
One heli-pad
One burn barrel
One fuel cache with Spill Kit

Southern Camp

Three 14' x 16' wooden sleep tents

5. Seasonal Shutdown

Buildings and Contents

All canvas tents have been removed from site. Wooden structures (generator shack, latrine and tent frames) are secured. Camp equipment has been stored in 3 plywood sided tent frames.

Water System

Pumps and hoses have been drained and dismantled. Pumps have been removed from site for servicing and storage. Hoses are stored in the dry or generator shack for the winter months but will be removed.

Fuel Caches and Chemical Storage

An inventory of all fuel caches has been made prior to camp demobilization. Full and empty drums will be backhauled to Cambridge Bay during the reclamation and abandonment portion of the program.

Chemicals stored in the dry (which is completely enclosed by plywood and secured) will be moved.

Waste

Combustible Waste: During restoration, all combustible waste will be incinerated. All ash will be collected and disposed of in landfill site in Cambridge Bay. The burn barrel will be removed from site.

Non-combustible Waste: All non-combustible waste will be sent to Cambridge Bay via chartered aircraft to be disposed of by our contract expeditor, Kitnuna Corporation or Wilf's Expediting Services. All carriers and receivers of this material will be informed of the need to register with the Government of Nunavut, Department of Environment as well as having the proper documentation in the form of a waste manifest. More details of this information can be found in Appendix IV of the company's Fuel Spill Contingency Plan.

Grey Water Sump: The sump will be inspected and backfilled.

Black Water: The latrine sump will be buried at the time of demobilization of the camp.

Drill and Trench Sites

N/A as no drilling or trenching to take place.

Contamination Clean Up

Any soil at camp or at the drill sites that has become contaminated will be treated as per the Fuel Spill Contingency Plan. All non-combustible waste will be sent to Cambridge Bay via chartered aircraft/ cat-train to be disposed of by our contract expeditor, Kitnuna Corporation or Wilf's Expediting Services. All carriers and receivers of this material will be informed of the need to register with the Government of Nunavut, Department of Environment as well as having the proper documentation in the form of a waste manifest. More details of this information can be found in Appendix IV of the company's Fuel Spill Contingency Plan.

Inspection and Documentation

A complete inspection of all disturbed areas (drill sites, trenches, camps and fuel caches) will be conducted prior to closure of the project with a full inventory taken for each location. A photographic record will be kept of each work area and campsite before, during and after the project is complete.

6. Final Abandonment and Restoration

Buildings and Contents

All buildings and structures will be dismantled and removed. Wooden structures will be burned and ashes sifted to retrieve non-burnable items which will be removed from site (nails and screws, etc.).

Equipment

All equipment including generators and pumps will be removed from the project site.

Fuel Caches and Chemical Storage

All fuel drums and chemical containers will be removed. All sites that contained fuel cached will be inspected and any contamination will be dealt with according to the Fuel Spill Contingency Plan. All debris will be removed. Final photos of fuel caches will be supplied.

Sumps

All sumps will be inspected and backfilled. Final photos will be taken and supplied to any regulatory jurisdiction.

Camp Site

A final inspection of the camp sites will be made to ensure no waste remains. Final photos to be supplied.

Drill and Trench Sites

Photographs of each drill and trench site will be taken at the completion of clean up at each site. **This has already been done and submitted in Annual reports.**

Contamination Clean Up

Any contamination will be treated as per the Fuel Spill Contingency Plan. Any contamination and subsequent clean up will be documented with photographs. All non-combustible waste will be sent to Cambridge Bay via chartered aircraft/ cat train to be disposed of by our contract expeditor, Kitnuna Corporation or Wilf's Expediting Services. All carriers and receivers of this material will be informed of the need to register with the Government of Nunavut, Department of Environment as well as having the proper documentation in the form of a waste manifest. More details of this information can be found in Appendix IV of the company's Fuel Spill Contingency Plan.

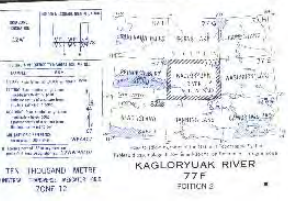
Aircraft Landing Strips

The aircraft landing strip used to service Tuktu camp in the northern portion of the project area and known as Mud Strip is a large compacted area of sand and fine clay and is utilized only in

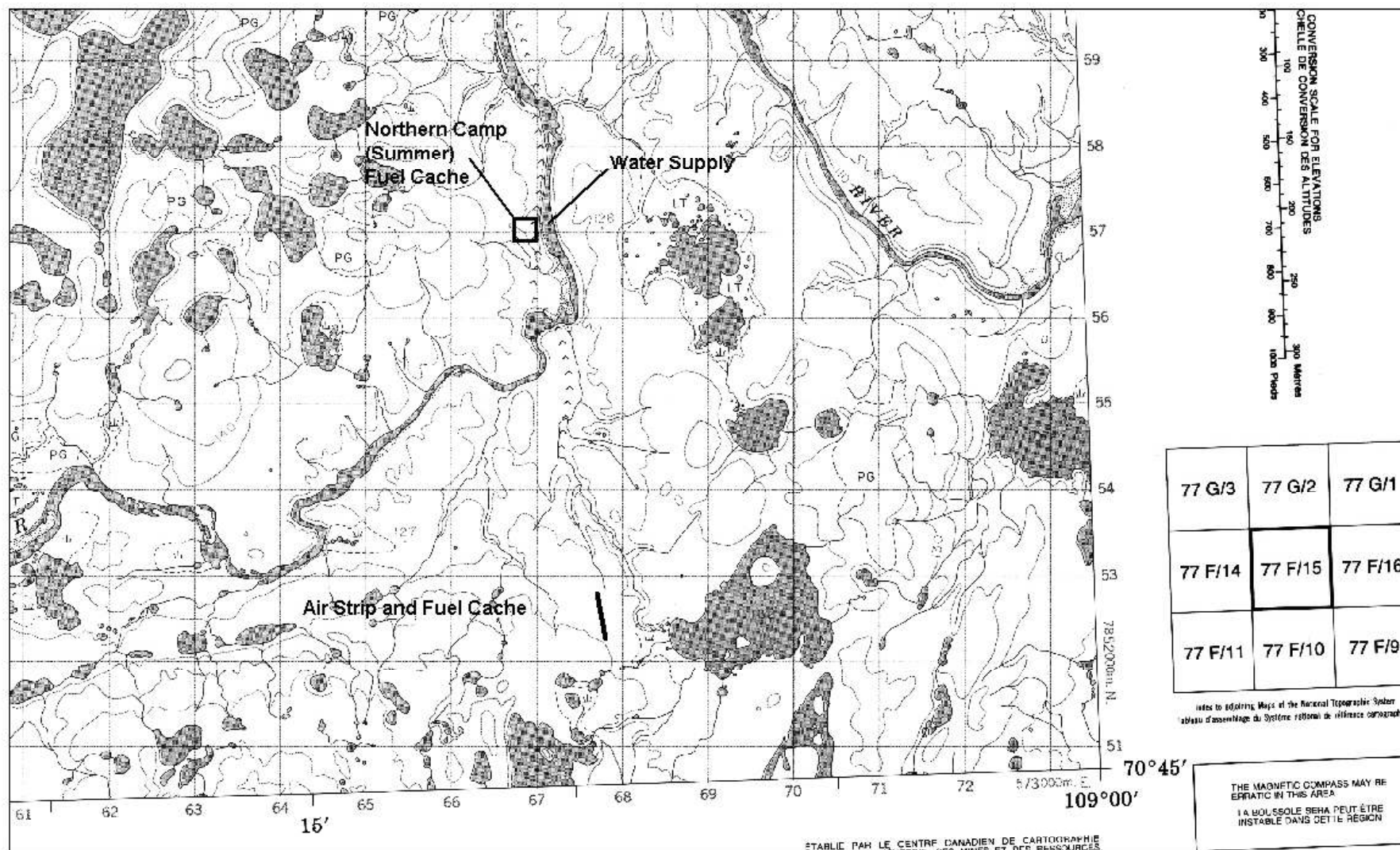
July and August when the ground is hard and dry. Some shallow rutting has occurred in the past but natural freeze thaw cycles have essentially kept the surface rut free. Any rutting that remains will be backfilled upon final project abandonment. The camp in the southern portion of the project area is only utilized in the spring. A & R for this camp will only be done by chopper.

Inspection and Documentation

A complete inspection will be conducted of all areas prior to closure. Photographs will be taken to document the conditions of each site prior to final demobilization for use in the final plan/report. All appropriate agencies will be contacted once final clean up is complete.



Northern Area Camp Location - Summer Program **Access to Site via helicopter from Twin Otter airstrip**





Campsite (Northern - Tuktu) Camp coordinates at 567010E 7856800N NAD 83
Zone 12

Capacity: 25 people originally

Structures: Seven 14' x 16' wooden sleep tents

One 32' x 14' kitchen tent

One 14' x 16'' core shack

One 14' x 16' dry

One 14' x 16' first aid tent

One 14' x 16' office tent

One outhouse

One generator shack

One heli-pad

One burn barrel

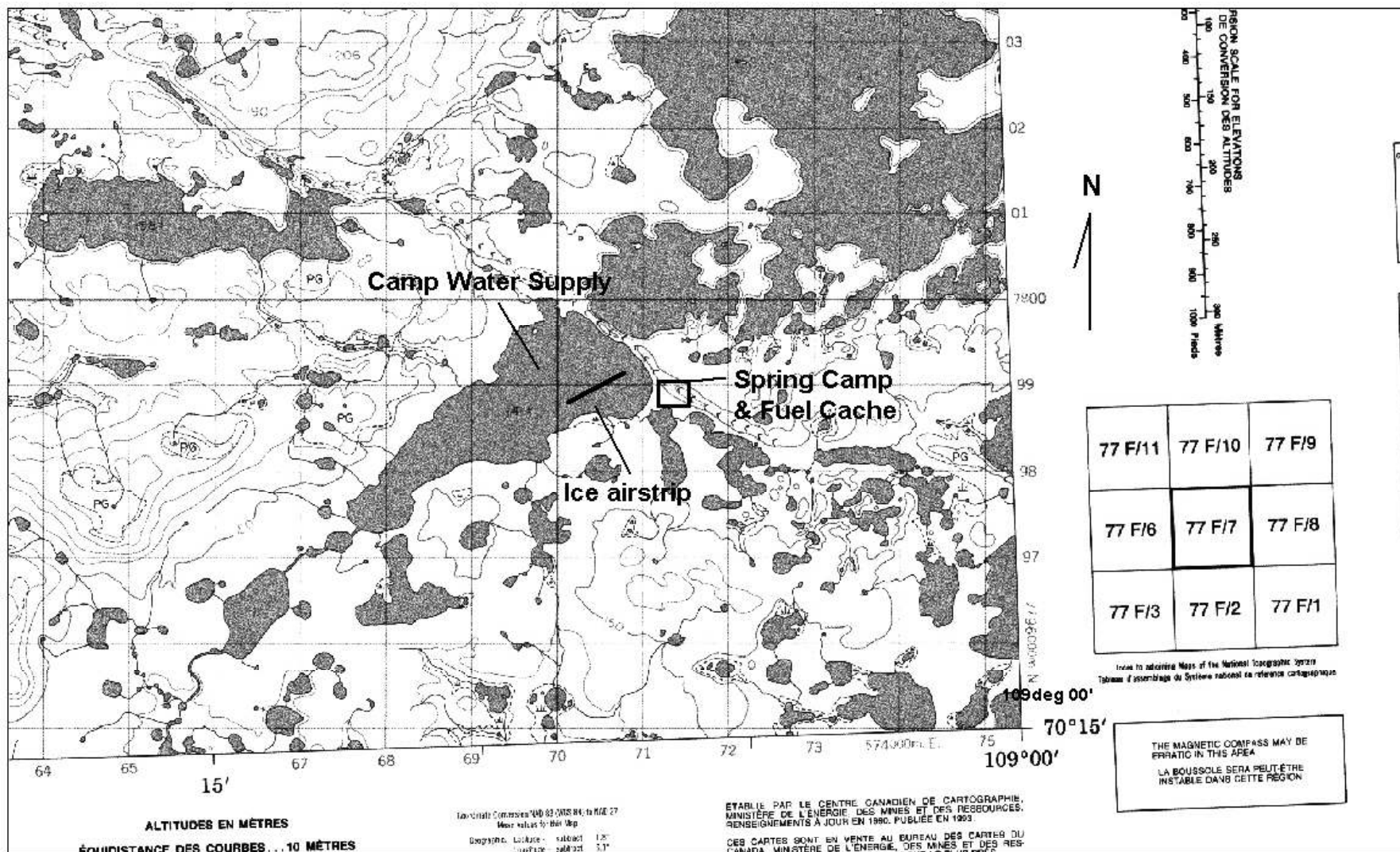
One fuel cache with Spill Kit

Spill response equipment located outside of core shack

ALL TO BE DECOMMISSIONED in the summer

**Fuel = 15 drums Jet fuel, 12 drums diesel, 2 drums gas, 31 bottles
of propane**

Southern Area Camp Location - Spring Program **Access to Site via Twin Otter**



77 F/11	77 F/10	77 F/9
77 F/6	77 F/7	77 F/8
77 F/3	77 F/2	77 F/1

Index to subseries Maps of the National Geographic System
 Tableau d'index des cartes du Système national de référence cartographique

THE MAGNETIC COMPASS MAY BE ERRATIC IN THIS AREA
 LA BOUSSOLE SERA PEUT-ÊTRE INSTABLE DANS CETTE RÉGION



Campsite (Southern/ Skinny)

Camp coordinates at 571200E 7798800N NAD 83 Zone 12

Capacity: 10 people - originally

Structures: Three 14' x 16' wooden sleep tents

ALL TO BE DECOMMISSIONED in the summer

Fuel = None. All has been previously removed



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Specifications for an International TP-20 crawler tractor

The following specifications were taken from the owners manual unfortunately the manual does not come apart so it cant be photo copied.

Weight including fuel 31,100 lbs
 Height 95 inches
 Width 94 inches
 Track shoe 22 inches
 Length 165 inches
 Pounds per square inch of track surface 4.25 lbs/sq in.
 Fuel capacity 86 gallons
 Coolant capacity 50 quarts
 Crank case 32 quarts

This unit was manufactured in 1972. It has been completely rebuilt that consisted of a major engine overhaul, new under carriage and track. This work was completed in June 2002. There is approximately 100 hrs on the overhaul.



CABOOSE

**DIAMONDS NORTH CAT TRAIN OPERATION 2003
VICTORIA ISLAND, NUNAVUT**









D-6 CAT

SLED

**DIAMONDS NORTH 2003 CAT TRAIN OPERATION
VICTORIA ISLAND, NUNAVUT**









